

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
GREENVILLE DIVISION

CONSUMER FINANCIAL)
PROTECTION BUREAU,)
Plaintiff,) Civil Action No.: 6:23-CV-04177-JD
)
v.)
HEIGTS FINANCE HOLDING CO. f/k/a) DECLARATION OF JAMES KIM IN
SOUTHERN MANAGEMENT) SUPPORT OF DEFENDANTS'
CORPORATION; COVINGTON CREDIT) MOTION TO STAY AND MOTION
OF ALABAMA, INC; SOUTHERN) FOR A 21-DAY EXTENSION OF TIME
FINANCE OF TENNESSEE, INC.;) TO RESPOND TO THE COMPLAINT
COVINGTON CREDIT OF GEORGIA,) PENDING THE COURT'S RULING ON
INC.; SOUTHERN FINANCE OF SOUTH) DEFENDANTS' MOTION TO STAY
CAROLINA, INC.; COVINGTON)
CREDIT OF TEXAS, INC.; COVINGTON)
CREDIT, INC.; and QUICK CREDIT)
CORPORATION)
Defendants.

**DECLARATION OF JAMES KIM IN SUPPORT OF DEFENDANTS' MOTION TO
STAY AND MOTION FOR A 21-DAY EXTENSION OF TIME TO RESPOND TO THE
COMPLAINT PENDING THE COURT'S RULING ON DEFENDANTS' MOTION TO
STAY**

JAMES KIM, pursuant to 28 U.S.C. § 1746, hereby declares under penalty of perjury that:

1. I am a partner with Troutman Pepper Hamilton Sanders LLP, attorneys for Defendants in the above-captioned action. I am an attorney in good standing admitted to practice in the State of New York and admitted *pro hac vice* in this action.

2. I submit this declaration in support of Defendants' Motion to Stay Pending U.S. Supreme Court Decision ("Stay Motion") and Defendants' Motion for a 21-day Extension of Time

to Respond to the Complaint Pending the Court’s Ruling on Defendants’ Motion to Stay (“Extension Motion”).

3. On April 16, 2020, Plaintiff Consumer Financial Protection Bureau (“CFPB”) issued the first of four civil investigative demands to Defendants.¹

4. On August 25, 2020, the CFPB issued the second civil investigative demand to Defendants.

5. On April 26, 2021, the CFPB issued the third civil investigative demand to Defendants.

6. On July 7, 2021, the CFPB issued the fourth civil investigative demand to Defendants.

7. The civil investigative demands collectively contained dozens of requests, including document requests, interrogatories, requests for written reports, and requests for investigational hearings. Defendants complied with the requests in the four civil investigative demands.

8. In June 2021, the CFPB conducted investigational hearings to take testimony from three witnesses employed by Defendants.

9. Defendants made their final production of materials responsive to the civil investigative demands in May 2022.

10. On May 4, 2022, the CFPB issued a Notice and Opportunity to Respond and Advise (“NORA”) letter to Defendants, asserting several alleged violations.

¹ The civil investigative demands were addressed to Southern Management Corporation, but their scope included Southern Management Corporation’s parents, subsidiaries, affiliates, and other entities and individuals.

11. On June 1, 2022, Defendants submitted a 38-page response to the NORA letter (“NORA Submission”).

12. The CFPB did not respond to Defendants’ NORA Submission and did not contact Defendants or their counsel until the day this lawsuit was filed on August 22, 2023.

13. On September 25, 2023, I conferred with counsel for the CFPB and asked if they would consent to (1) staying this matter pending the United States Supreme Court’s ruling in *CFPB v. Cnty. Fin. Servs. Ass’n of Am.*, No. 22-448 (U.S. argued Oct. 3, 2023); and (2) extending Defendants’ deadline to respond to the Complaint until the Court decides a motion to stay. The CFPB did not consent to either request.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: October 9, 2023
New York, New York

/s/ James Kim
JAMES KIM